

UN OF U.L. GAS & MINING

August 24, 1989

Mr. Lowell P. Braxton Associate Director, Mining Department of Natural Resources Division of Oil, Gas & Mining 355 West North Temple 3triad Center, Suite 350 Salt Lake City, UT 84180-1203

Dear Mr. Braxton:

I appreciate you taking the time to talk to me on August 23, As I mentioned on the phone, I have been delegated the responsibility to resolve the differences between Jumbo Mining and Western States Minerals Corporation. I have also been assigned the task to clean up any problems between Western States Minerals and the State of Utah. Unfortunately, I was assigned this task on August 22, 1989. I found out that we had a deadline of August 31, 1989 to resolve the outstanding permitting issues. I realize that Western States Minerals Corporation has already been granted one extension concerning this problem. However, I wish to ask for a second extension until November 30, 1989 to clean up this problem.

I have been informed that the lawyers for both Jumbo Mining and Western States Minerals Corporation are working together to resolve the differences between the two parties. However, at this time, I do not have a definitive date when this will be resolved.

Since the cooperation of Jumbo Mining is needed to resolve the topsoil problem, the above issue needs to be finalized. Jumbo Mining will also benefit from our reclamation efforts as it will give them a direction to pursue in their reclamation plans.

Your granting the three (3) month extension concerning the topsoil deficiency would be greatly appreciated.

Sincerely,

WESTERN STATES MINERALS CORPORATION

Richard D. McNeely District Manager

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